AN ACT Relating to state government; amending section 1, chapter 274, Laws of 1975 1st ex. sess. as last amended by section 1, chapter 226, Laws of 1983 and RCW 41.04.260; making an appropriation; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 1, chapter 274, Laws of 1975 1st ex. sess. as last amended by section 1, chapter 226, Laws of 1983 and RCW 41.04.260 are each amended to read as follows:

(1) There is hereby created a committee for deferred compensation to be composed of five members appointed by the governor, one of whom shall be a representative of an employee association or union certified as an exclusive representative of at least one bargaining unit of classified employees, one who shall be a representative of either a credit union, savings and loan association, mutual savings bank or bank, one who possesses expertise in the area of insurance or investment of public funds, one who shall be the state attorney general or his designee, and one additional member selected by the governor. The committee shall serve without compensation but shall receive travel expenses as provided for in RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

(2) The deferred compensation revolving fund is hereby created in the state treasury. All expenses of the committee including staffing and administrative expenses shall be paid out of the deferred compensation revolving fund.

The amount of compensation deferred by employees under agreements entered into under the authority contained in RCW 41.04.250 shall be paid into the revolving fund and shall be sufficient to cover costs of administration and staffing in addition to such other amounts as determined by this committee. The revolving fund shall be used to carry out the purposes of RCW 41.04.250. All eligible state employees shall be given the opportunity to participate in agreements entered into by the committee under RCW 41.04.250. State agencies shall cooperate with the committee in providing employees with the opportunity to participate. Any county, municipality, or other subdivision of the state may elect to participate in any agreements entered into by the committee under RCW 41.04.250, including the making of payments therefrom to the employees participating in a deferred compensation plan upon their separation from state or other qualifying service. Accordingly, the revolving fund shall be considered to be a public pension or retirement fund within the meaning of Article XXIX, section 1 of the state
Constitution, for the purpose of determining eligible investments and deposits of the moneys therein. All moneys in the revolving fund, all property and rights purchased therewith, and all income attributable thereto, shall remain (until made available to the participating employee or other beneficiary) solely the money, property, and rights of the state and participating counties, municipalities and subdivisions (without being restricted to the provision of benefits under the plan) subject only to the claims of the state's and participating jurisdictions' general creditors. Participating jurisdictions shall each retain property rights separately.

(3) The state investment board, at the request of the deferred compensation committee, is authorized to invest moneys in the deferred compensation revolving fund in accordance with RCW 43.84.150. Except as provided in RCW 43.33A.160, one hundred percent of all earnings from these investments shall accrue directly to the deferred compensation revolving fund.

(4) The deferred compensation committee shall keep or cause to be kept full and adequate accounts and records of the assets, obligations, transactions, and affairs of any deferred compensation plans created under RCW 41.04.250 through 41.04.260. The deferred compensation committee shall file an annual report of the financial condition, transactions, and affairs of the deferred compensation plans under the committee's jurisdiction. A copy of the annual report shall be filed with the speaker of the house of representatives, the president of the senate, the governor, and the state auditor.

(5) Members of the deferred compensation committee shall be deemed to stand in a fiduciary relationship to the employees participating in the deferred compensation plans created under RCW 41.04.250 through 41.04.260 and shall discharge the duties of their respective positions in good faith and with that diligence, care, and skill which ordinary prudent persons would exercise under similar circumstances in like positions.

(6) The committee may adopt rules necessary to carry out the purposes of RCW 41.04.250 and 41.04.260.

NEW SECTION. Sec. 2. (1) There is appropriated six hundred fifty thousand dollars from the deferred compensation revolving fund to the deferred compensation committee for operational activity of the committee for the biennium ending June 30, 1985.

(2) In order to effect the implementation of the appropriation contained in this section, the deferred compensation committee is authorized to enter into an agreement with the state treasurer, with the consent of the state finance committee, under the authority of RCW 43.84.100. Repayment of any interfund loan agreed to shall be repaid, with appropriate interest, by June 30, 1989.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state
government and its existing public institutions, and shall take effect immediately.

Passed the House March 7, 1984.
Approved by the Governor March 27, 1984.
Filed in Office of Secretary of State March 27, 1984.

CHAPTER 243

[Substitute Senate Bill No. 43061]

PUBLIC HEALTH—CONSUMER REPRESENTATIVES—JOINT SELECT COMMITTEE ON PUBLIC HEALTH CREATED

AN ACT Relating to public health; amending section 43.20.030, chapter 8, Laws of 1965 as amended by section 11, chapter 18, Laws of 1970 ex. sess. and RCW 43.20.030; adding a new section to chapter 43.20 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. There is added to chapter 43.20 RCW a new section to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Consumer representative" means any person who is not an elected official, who has no fiduciary obligation to a health facility or other health agency, and who has no material financial interest in the rendering of health services.

(2) "Local health board" means a health board created pursuant to chapter 70.05, 70.08, or 70.46 RCW.

(3) "Local health officer" means the legally qualified physician appointed as a health officer pursuant to chapter 70.05, 70.08, or 70.46 RCW.

Sec. 2. Section 43.20.030, chapter 8, Laws of 1965 as amended by section 11, chapter 18, Laws of 1970 ex. sess. and RCW 43.20.030 are each amended to read as follows:

The state board of health shall be composed of ((six)) ten members. These shall be the secretary or ((this)) the secretary's designee and ((five)) nine other persons to be appointed by the governor, including four persons experienced in matters of health and sanitation, an elected city official who is a member of a local health board, an elected county official who is a member of a local health board, a local health officer, and ((one)) two persons representing the consumers of health care. Before appointing the city official, the governor shall consider any recommendations submitted by the association of Washington cities. Before appointing the county official, the governor shall consider any recommendations submitted by the Washington state association of counties. Before appointing the local health officer, the governor shall consider any recommendations submitted by the Washington state association of local public health officials. Before appointing one of the